Remarks at North Carolina State University in Raleigh, North Carolina
January 15, 2014

The President. Hello, Raleigh! Thank you so much. Thank you. Well, it is good to be back in North Carolina. If you have a seat, go ahead and have a seat. Now, if you don't have a seat, don't. [*Laughter*]

It is good to be here at the home of the Wolfpack. I want to thank your chancellor, Randy Woodson, for the introduction and the great work that he's doing on behalf of students all across the system. I want to recognize my Secretary of Energy, Ernie Moniz, who is here. Give him a big round of applause; he's doing good work. Your Governor, Pat McCrory, is here. The mayor of Raleigh, Nancy McFarlane. The mayor of Chapel Hill, Mark Kleinschmidt. The mayor of Durham, Bill Bell. And we've got Congressman Mike McIntyre doing great work. Your Senator, Kay Hagan, couldn't be here, but I wanted to thank her publicly for the great work she's doing.

And I want to thank all the students for coming out. We're doing this event nice and early so it doesn't run up against the Wake game. I've learned a few things as President, and one of them is not to compete with college basketball down here on Tobacco Road. You don't do that.

Now, this is actually my second stop in Raleigh-Durham. I just took a tour of a company called Vacon, where workers design the drives that power everything from elevators to the giant fans that help cool buildings like this one, although I think we're kind of saving money on this one—[*laughter*]—which is the smart thing to do.

So this company is making these engines and these systems more efficient, saving businesses big bucks on energy costs, improving the environment. Those savings get passed on to customers, puts money in people's pockets. And growing companies that need the products that Vacon makes, they're benefiting enormously. So it's a good-news story. But in a global economy, that company, just like every company in America, has to keep inventing and innovating in order to stay on the cutting edge. And that's where all of you come in.

Here at NC State, you know something about innovation. You've got one of the largest undergraduate engineering programs in the country. That's worth cheering for. I'm a lawyer by training, and that's nice. But we need more engineers.

So companies like Cisco and IBM, they come to this school when they're looking to hire because of the quality of the engineering program. And over at Centennial Campus, some very smart people experiment in state-of-the-art facilities to figure out everything from how to design better fireproof fabrics to how to better protect our computer systems.

So the reason I came here today is because we've got to do more to connect universities like NC State with companies like Vacon to make America the number-one place in the world to open new businesses and create new jobs. We want to do that here in North Carolina, and we want to do this all across America.

Now, it's been more than 5 years since a devastating recession cost this country millions of jobs, and it hurt North Carolina pretty tough. But everyone here knows that even before the recession hit, the middle class had been hitting it—getting hit on the chin for years before that. Here in North Carolina, factories were shutting their doors; jobs were getting shipped

overseas. Wages and incomes were flatlining so even if you had a job, you didn't see your standard of living going up very much. Meanwhile, the cost of everything from college tuition to groceries did go up.

So when I took office, we decided to focus on the hard work of rebuilding our economy on a new foundation for growth and prosperity and to make sure that everybody had a chance to get ahead. And thanks to the hard work and sacrifice of the American people, the good news is, the economy is growing stronger. Our businesses have now created more than 8 million new jobs since we hit bottom. Because of an all-of-the-above strategy for American energy, for the first time in nearly two decades, we produce more oil here in the United States than we buy from the rest of the world. That hasn't happened in a very long time. We now generate more renewable energy than ever before, more natural gas than anybody on the planet. We're lowering energy costs, reducing pollution.

Health care costs are growing at their slowest rate in 50 years. For the first time since the 1990s, health care costs eat up a smaller chunk of our economy, and part of that, yes, has to do with the Affordable Care Act. And so over time, that means bigger paychecks for middle class families, bigger savings for companies that are looking to hire. And along with all this, since I took office, we've cut our deficits by more than half.

So we've made progress. And that's what I mean when I say this can be a breakthrough year for America. The pieces are all there to start bringing back more of the jobs that we've lost over the past decade. A lot of companies around the world are starting to talk about bringing jobs back to the United States, bringing jobs back to places like North Carolina, partly because we got cheap energy costs, we've got the best workers in the world, we've got the best university systems in the world, and we've got the largest market in the world.

So the pieces are there to restore some of the ground that the middle class has lost in recent decades, start raising wages for American families. But it requires us to take action. This has to be a year of action.

And here in North Carolina, you're doing your part to create good jobs that pay good wages. Congress has to do its part too, because restoring the American Dream of opportunity for everyone who's willing to work for it is something that should unite the country. That shouldn't divide the country. That's what we should be aspiring to: that everybody has a shot if they're willing to work hard and take responsibility.

So in the short term, one thing Congress could do is listen to the majority of the American people and restore the unemployment insurance for Americans who need it. And just—let me just make an aside here: North Carolina still has a higher than average unemployment rate, so this is important to this State. Folks aren't looking for a handout. They're not looking for special treatment. There are a lot of people who are sending out résumés every single day, but the market—the job market is still tough in pockets around the country, and people need support, a little help, so they can look after their families while they're looking for a new job. So Congress should do the right thing and extend this vital lifeline for millions of Americans.

Of course, that's just short term. Long term, the challenge of making sure everybody who works hard can get ahead in today's economy is so important that we can't wait for Congress to solve it. Where I can act on my own without Congress, I'm going to do so.

And today I'm here to act: to help make Raleigh-Durham and America a magnet for the good, high-tech manufacturing jobs that a growing middle class requires and that is—are going to continue to keep this country on the cutting edge.

So we've already got some success to build on. Manufacturing is a bright spot in this economy. For decades, we'd been losing manufacturing jobs. But now our manufacturers have added, over the last 4 years, more than 550,000 new jobs, including almost 80,000 manufacturing jobs in the last 5 months alone. So we want to keep that trend going. We want to build on the kind of work that's being done in places like NC State to develop technology that leads to new jobs and entire new industries.

So a little over a year ago, we launched America's first manufacturing innovation institute in Youngstown, Ohio. And what it was is a partnership; it includes companies and colleges. They came up with a joint plan. They were focusing on developing 3–D printing technology and training workers with the skills required to master that technology.

Now, that was a great start. We got one going, and some of the folks from Youngstown are here today, and we congratulate them on the great work they're doing. But here's the problem: We created one. In Germany, they've already got about 60 of these manufacturing innovation hubs. So we've got some catching up to do. I don't want the next big job-creating discovery, the research and technology to be in Germany or China or Japan. I want it to be right here in the United States of America. I want it to be right here in North Carolina.

So what I said was, in my State of the Union Address last year, I said to Congress, let's set up a network of at least 15 of these manufacturing hubs all across America, focusing on different opportunities where we can get manufacturing innovation going, create jobs, make sure that the research is tied to businesses that are actually hiring. And those synergies are going to grow the economy regionally and ultimately across the whole country.

And last summer, as part of our push to create middle class jobs, I said, you know what, let's not settle on 15, let's just go ahead and do 45. Republicans and Democrats in the House and the Senate introduced bills that would get this going. That's good. But they haven't passed the bills yet. So I want to encourage them to continue to pass the bills that would create 45 of these manufacturing hubs. In the meantime, I'm directing my administration to move forward where we can on our own.

So today, after almost a year of competition, I'm pleased to announce America's newest high-tech manufacturing hub—which is going to be focused on the next generation of power electronics—is going to be based right here in Raleigh, North Carolina. That's good news. That's good news. [*Applause*] So—that's good news. It's great.

So just like the hub in Youngstown, what we're calling the Next Generation Power Electronics Innovation Institute is bringing together leading companies, universities, and Federal research all together under one roof. Folks at this hub are going to develop what are called wide bandgap semiconductors.

Now, I was just schooled on all this. [*Laughter*] I'm not sure that I'm fully qualified to describe the technical elements of this. Raise your hand if you know what it is. [*Laughter*] See, we have some. [*Laughter*] For all you nonengineers out there, here's what it means in the simplest terms. Semiconductors obviously are at the heart of every piece of the electronics that we use every day: your smartphone, your television set, these days everything. Public research helped develop them decades ago, and then that research allowed commercialization, new products, new services, and obviously not only improved the economy, but greatly enhanced our lives. So we want companies to run with the ball also, but first, we've got to make sure that we're also doing the research and linking it up to those companies.

Wide bandgap semiconductors, they're special because they lose up to 90 percent less power; they can operate at higher temperatures than normal semiconductors. So that means they can make everything from cell phones to industrial motors, to electric cars smaller, faster, cheaper. There are going to be still applications for the traditional semiconductors, but these can be focused on certain areas that will vastly improve energy efficiency, vastly improve the quality of our lives. And the country that figures out how to do this first, and the companies that figure how to do this best, they're the ones that are going to attract the jobs that come with it.

So this manufacturing hub, right here, focused in North Carolina——

Audience member. Go Pack!

The President. Go Pack! [*Applause*] This hub is going to make it easier for these wide bandgap semiconductors to go from the drawing board to the factory floor, to the store shelves—or not necessarily the store shelves, because what I just saw, for example, were these really big pieces of equipment that are attached to utility companies or help windmills translate the power they're generating actually in getting transmitted to where they're going to be finally used. It's going to bring together chip designers and manufacturers with companies like Vacon and Delphi that stand to benefit from these new technologies. And this will help big companies, but it's also going to help small companies, because they're going to be able to use equipment they otherwise wouldn't be able to afford to test and prototype new products. And of course, American workers will be able to come right here to North Carolina to learn the skills that companies are looking for. And the next generation of manufacturing will be an American revolution.

So in the coming weeks, we're going to be launching two more of these innovation hubs; I—we've already got them all planned out. One is going to focus on digital design and manufacturing; another is going to be developing lightweight metals that could transform everything from wind turbines to military vehicles. And together, they're going to help build new partnerships in areas that show potential. They'll help to lift up our communities. They'll help spark the technology and research that will create the new industries, the good jobs required for folks to punch their ticket into the middle class.

And that's what America is all about. We have always been about research, innovation, and then commercializing that research and innovation so that everybody can benefit. And then we start selling our stuff all around the world, we start exporting it. And we create good jobs, and middle class families then are able to buy the products that result from this innovation. And you get a virtuous cycle where everybody is doing better and nobody is left behind. And that's what we can do if we pull together the way those companies and universities have pulled together as part of this bid.

Now, this is going to be a long haul. We're not going to turn things around overnight. A lot of jobs were lost in the textile industry and furniture-making. But the great news is, is that ultimately, because our people are good and smart and hard-working and willing to take risks, we are going to be able to start bringing those jobs back to America. And that's what we do. When the times get tough, we don't give up. We get up. We innovate. We adapt. We keep going. We look to the future.

And I want all of you to know, North Carolina, that as long as we keep working together and fighting together and doing what it takes to widen the circle of opportunity for more Americans so nobody is left behind, if you work hard, if you are responsible, then you can go

out there, get a skill, train yourself, find a job, support a family. If we work together, and that's our focus, there's nothing we can't achieve. There's no limit to how far we can go.

So congratulations, North Carolina State. Congratulations, Raleigh. Let's get to work. God bless you. God bless America.

NOTE: The President spoke at 1:14 p.m. in the J.W. Isenhour Tennis Center.

Categories: Addresses and Remarks : North Carolina State University in Raleigh, NC.

Locations: Raleigh, NC.

Names: Bell, William V.; Hagan, Kay; Kleinschmidt, Mark; McCrory, Patrick L.; McFarlane, Nancy; McIntyre, Douglas C. \"Mike\"; Moniz, Ernest J.; Woodson, Randy.

Subjects: Business and industry : Manufacturing industry :: Advanced manufacturing, promotion efforts; Business and industry : Manufacturing industry :: Improvement; Business and industry : Manufacturing industry :: Strengthening efforts; Economy, national : Economic concerns; Economy, national : Improvement; Economy, national : Strengthening efforts; Employment and unemployment : Job creation and growth; Employment and unemployment : Unemployment insurance; Energy, Department of : Secretary; Health and medical care : Health insurance reforms; North Carolina : Governor; North Carolina : North Carolina State University in Raleigh; North Carolina : President's visit.

DCPD Number: DCPD201400022.